

**ARIZONA DEPARTMENT OF REVENUE
TOBACCO TAX**

1600 W. Monroe, Phoenix, AZ 85007

INVENTORY REPORT FORM - PROPOSITIONS 201 AND 203

The passing of Propositions 201 and 203 during the General Election of November 7, 2006 has amended Title 42, Chapter 3, of the Arizona Revised Statutes. These amendments have increased the total cost of the cigarette stamps by \$.041 per cigarette. This report is due no later than December 15th. See reverse side for instructions.

Firm Name _____ License Number _____
 Street Address _____
 ATTN: _____ Firm Tax ID# _____
 City _____ State _____ Zip _____

Cigarette	Serial Number From	To	Number of Rolls	Number of Stamps
Fuson Rolls (Blue 20s):				
30,000 per roll				
3,000 per roll				
Partial Roll				
1. Total 20s: Enter Here				
2. Increase in Stamp Value				\$0.82
3. Value Increase Due (1 x 2)				\$
Fuson Rolls (Red 20s):				
30,000 per roll				
3,000 per roll				
Partial Roll				
4. Total 20s: Enter Here				
5. Increase in Stamp Value (see Note in instructions)				
6. Value Increase Due (4 x 5)				\$

Cigarette	Serial Number From	To	Number of Rolls	Number of Stamps
Fuson Rolls (Blue 25s):				
12,000 per roll				
7,200 per roll				
Partial Roll				
7. Total 25s: Enter Here				
8. Increase in Stamp Value				\$1.025
9. Value Increase Due (7 x 8)				\$
Fuson Rolls (Red 25s):				
12,000 per roll				
7,200 per roll				
Partial Roll				
10. Total 25s: Enter Here				
11. Increase in Stamp Value (see Note in instructions)				
12. Value Increase Due (10 x 11)				\$

13. TOTAL DUE (3 + 6 + 9 + 12)

\$

Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

I have read this return. Under penalties of perjury, I declare that to the best of my knowledge and belief, they are correct and complete.

Preparer's Signature

Taxpayer's/Authorized Agent's Signature

Preparer's TIN

Title

Date

PROPOSITIONS 201 and 203 INVENTORY REPORT FORM

GENERAL INSTRUCTIONS

You must file this form and pay the additional luxury tax if you are a licensed distributor for cigarettes and other tobacco products.

You must file this form with the Department by December 15, 2006. The money is due on or before January 20, 2007.

Prepare this form regardless of whether or not any tax is due. File the original with the Department of Revenue. Retain a copy of the at least four years, subject to inspection by the Department.

You must provide your taxpayer identification number on the form. A taxpayer identification number is either your federal employer identification number (FEIN), or your social security number (SSN), if you are a sole proprietor, with no employees.

The Licensee or Authorized Agent must sign the form.

If you pay a preparer to complete the form, the preparer must sign the form and include his or her identification number.

State law imposes a 0.5% penalty plus interest on the amount of tax due for each month or fraction of a month if your payment is late, not to exceed 10%. State law imposes a 4.5% penalty of the tax required to be shown on the return for each month or fraction of a month if you fail to file, not to exceed 25%. The combined penalties, however, also cannot exceed 25%.

SPECIFIC INSTRUCTIONS

Enter the serial numbers of the stamps on hand. Indicate the number of rolls and stamps for the serial numbers.

Line 1. Add the number of blue stamps for all serial numbers of packs of 20. Enter total here.

Line 2. The passage of Propositions 201 and 203 has increased the value of the blue stamp by \$0.82 for packs of 20.

Line 3. Multiply Line 1 by Line 2. Enter the increase in the value of the blue stamps.

Line 4. Add the number of red stamps for all serial numbers of packs of 20. Enter total here.

Line 5. The passage of Propositions 201 and 203 has increased the value of the red stamp by (see Note below) for packs of 20.

Line 6. Multiply Line 4 by Line 5. Enter the increase in the value of the red stamps.

Line 7. Add the number of blue stamps for all serial numbers of packs of 25. Enter total here.

Line 8. The passage of Propositions 201 and 203 has increased the value of the blue stamp by \$1.025 for packs of 25.

Line 9. Multiply Line 7 by Line 8. Enter the increase in the value of the blue stamps.

Line 10. Add the number of red stamps for all serial numbers of packs of 25. Enter total here.

Line 11. The passage of Propositions 201 and 203 has increased the value of the red stamp by (see Note below) for packs of 25.

Line 12. Multiply Line 10 by Line 11. Enter the increase in the value of the red stamps.

Line 13. Add Line 3, 6, 9, & 12. Enter the total due.

NOTE: The Department of Revenue has requested an opinion from the Arizona Attorney General's Office regarding whether either the Proposition 203 increase (4¢ per cigarette) or the Proposition 201 increase (.1¢ per cigarette), or both, apply to the red stamps. That opinion has not been issued yet, but you still need to inventory your stamps on hand and report that. When the opinion has been issued, we will notify you of the applicable increase.